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MICHIGAN LABOR MARKET REVIEW

JOB SERVICE
Michigan Employment Security Commission

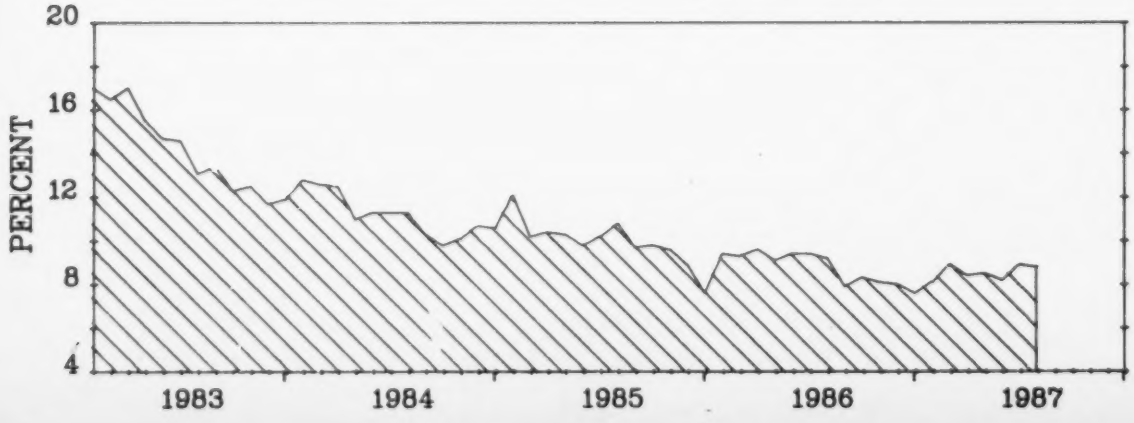
SLIGHT SHIFT IN STATEWIDE JOBLESSNESS

The unemployment rate in Michigan dipped by one tenth of a percentage point during the month as the jobless rate slipped from 8.9 percent in June to 8.8 percent in July. The marginal shift represents 1,000 fewer individuals out of work, as total state residents seeking employment fell to 407,000. The decline in joblessness was primarily a result of seasonal gains in construction and service related industries. Total employment in July registered an increase as the number of employed state residents climbed by 26,000 to reach 4,192,000. Additionally, the civilian labor force rose to 4,599,000, a gain of 25,000. Compared with a year ago, employment in the Michigan has increased by 128,000, while the size of the labor force has expanded by 124,000. In July 1986, the total number of persons out of work amounted to 412,000, representing an unemployment rate of 9.2 percent.

SEASONAL DECLINE CAUSES WAGE AND SALARY JOBS TO FALL

Michigan's nonagricultural wage and salary employment decreased for the first time in six months to total 3,644,000 in July. Employment opportunities plunged by approximately 65,000 as losses were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries, declined by 42,000 primarily as a result of layoffs due to model changeover in the automotive industry. Service producing employment dropped by 24,000 to 2,557,000 in July, as statewide educational facilities cutback for the summer recess period. Public sector positions decreased by 25,000 as the entire loss appeared at the local level. Since July 1986, industry employment in Michigan has increased by 42,000 positions or 1.2 percent. Approximately 63,000 service producing jobs have been added throughout the year, while goods producing employment has fallen by 23,000.

MICHIGAN UNEMPLOYMENT RATES (1983–1987)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	JULY 1987	JUNE 1987	MAY 1987	JUNE 1986
PLACE OF RESIDENCE				
Civilian Labor Force	4599	4574	4518	4475
Employment	4192	4166	4150	4064
Unemployment	407	408	369	412
Rate	8.8	8.9	8.2	9.2
PLACE OF WORK				
Wage and Salary Employment	3644	3709	3705	3602
Goods Producing Industries	1086	1128	1119	1109
Construction and Mining	158	152	146	135
Mining	12	11	11	11
Construction	146	141	135	124
Special trade Contractors	96	91	87	79
Other Construction	50	50	48	45
Manufacturing	929	975	972	974
Durable Goods	706	752	751	755
Lumber and Wood Products	14	14	14	13
Furniture and Fixtures	29	28	28	27
Stone, Clay and Glass Products	17	17	17	17
Metals	160	166	167	167
Primary Metals	47	48	48	47
Fabricated Metals	114	118	119	120
Nonelectrical Machinery	122	124	124	130
Electrical Machinery	38	38	38	38
Transportation Equipment	304	341	342	341
Motor Vehicles and Equipment	282	319	319	320
Other Transportation Equipment	22	23	23	21
Other Durable Goods	22	22	22	21
Nondurable Goods	223	224	221	219
Food and Kindred Products	48	47	45	49
Textiles and Apparel	22	24	23	23
Paper and Allied Products	22	21	21	21
Printing and Publishing	38	39	38	37
Chemicals and Petroleum	44	44	44	40
Other Nondurable Goods	48	49	49	46
Rubber and Plastic Prod.	46	47	47	43
Leather Products	2	2	2	3
Service Producing Industries	2557	2581	2586	2494
Trans., Comm. and Utilities	150	151	151	149
Transportation and Utilities	115	116	116	114
Communications	35	35	35	35
Wholesale Trade	179	180	178	176
Durable Goods	115	117	115	113
Nondurable Goods	64	63	63	63
Retail Trade	668	667	661	642
General Merchandise Stores	95	94	93	92
Food Stores	92	91	90	90
Automotive Dealers and Services	75	75	74	73
Eating and Drinking Places	239	240	236	226
Other Retail Trade	167	168	168	160
Finance, Insurance and Real Estate	184	182	180	174
Finance	93	92	91	89
Insurance and Real Estate	91	90	88	85
Services	805	805	805	790
Business Services	171	172	173	166
Health Services	268	268	267	267
Other Services	366	365	366	358
Government	571	596	612	561
Federal	61	61	61	61
State	143	143	149	136
Local	367	391	401	365
Labor Disputes	0	0	0	1

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1986 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1986

CLAIMS ACTIVITY

The number of Michigan residents collecting regular unemployment benefits increased for the second consecutive month in July. The regular benefits claims load averaged 110,682 per week during the month, approximately 1,145 more than the June total.

The one percent increase in the monthly average was primarily due to the addition of summer jobseekers in the labor force. In July 1986, the number of claimants drawing benefits under the regular benefit program averaged 93,926, or approximately 15 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
July 04, 1987	122,400	20,400	102,000	59,100	9,000	50,100
July 11, 1987	129,500	33,600	95,900	65,600	21,100	44,500
July 18, 1987	155,300	38,300	117,000	81,100	23,200	57,900
July 25, 1987	168,600	34,500	134,100	87,500	15,700	71,800

DETROIT AREA COST OF LIVING MOVES UPWARD

Consumer prices in the Detroit metropolitan area decreased from 330.5 in April to 330.2 in June. The decline in Detroit area prices was primarily due to lower costs for men and women's apparel. Prices in the area climbed by 2.9 percent since June 1986, when the consumer price index stood at 321.0. At the national level, the cost of living advanced by two tenths of a percent to reach 340.8 during the month.

The higher national prices were due to additional costs for transportation, entertainment and medical care. Between July 1986 and July 1987, national consumer prices increased by 3.9 percent. One year ago, the national index registered 328.0. Note: Beginning in January 1987, the Detroit index which was previously published monthly, is now issued only for even numbered months.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 40.8 hours in July. The decrease occurred primarily as a result of fewer hours worked by individuals in all manufacturing segments.

During the month average hourly earnings dropped by 16 cents to $12.74, while average weekly earnings decreased by $19.43 to total $519.79. In July 1986, earnings averaged $12.79 an hour or $532.06 per week for a 41.6 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	July 1987	June 1987	July 1986	July 1987	June 1987	July 1986	July 1987	June 1987	July 1986
TOTAL MANUFACTURING	$12.74	$12.90	$12.79	40.8	41.8	41.6	$519.79	$539.22	$532.06
DURABLE GOODS	13.32	13.45	13.37	40.9	42.2	41.7	544.79	567.59	557.53
Primary Metal Products	12.80	12.69	12.42	42.2	43.5	41.6	540.16	552.01	516.67
Fabricated Metal Products	12.52	12.59	12.56	40.2	41.7	41.3	503.30	525.00	518.73
Nonelectrical Machinery	13.17	13.10	13.10	42.1	43.0	41.4	554.46	563.30	542.34
Electrical Machinery	10.66	11.19	10.20	38.9	41.2	40.9	414.67	461.03	417.18
Motor Vehicles & Equip.	15.37	15.32	15.39	41.2	42.3	42.6	633.24	648.04	655.61
NONDURABLE GOODS	10.83	10.91	10.70	40.4	40.6	41.0	437.53	442.95	438.70
Contract Construction	16.07	15.62	15.58	39.8	38.9	37.9	639.59	607.62	590.48
Department Stores	6.29	6.23	6.62	28.3	27.9	28.8	178.01	173.82	190.66

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
JULY 1987 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	122,105,000	114,652,000	7,453,000	6.1
Michigan	4,599,000	4,192,000	407,000	8.8
Major Labor Markets				
Ann Arbor MSA	155,500	148,500	7,000	4.5
Battle Creek MSA	64,100	59,100	4,900	7.7
Benton Harbor MSA	78,700	73,200	5,500	7.0
Detroit MSA	2,254,000	2,039,000	215,000	9.5
Flint MSA	204,700	178,300	26,400	12.9
Grand Rapids MSA	342,800	319,600	23,200	6.8
Jackson MSA	63,000	58,200	4,800	7.7
Kalamazoo MSA	114,500	107,300	7,300	6.4
Lansing MSA	234,200	214,500	19,700	8.4
Muskegon MSA	68,200	62,400	5,800	8.5
Saginaw-Bay-Midland MSA	188,200	172,800	15,500	8.2
Upper Peninsula LMA	134,100	122,900	11,200	8.3
Major Counties (15,000+)				
Allegan	55,600	52,475	3,125	5.6
Barry	21,700	19,925	1,775	8.2
Bay	54,200	49,300	4,900	9.1
Branch	17,625	16,350	1,275	7.3
Cass	24,925	23,400	1,525	6.1
Clinton	29,525	26,750	2,750	9.4
Delta	16,250	14,675	1,575	9.7
Eaton	50,525	46,600	3,900	7.7
Grand Traverse	35,650	33,275	2,375	6.7
Gratiot	17,825	15,425	2,400	13.5
Hillsdale	19,675	17,825	1,850	9.4
Huron	16,725	15,325	1,400	8.3
Ingham	154,200	141,125	13,075	8.5
Ionia	19,500	17,050	2,450	12.6
Isabella	25,825	24,350	1,450	5.7
Kent	254,500	235,575	18,950	7.4
Lapeer	34,000	29,675	4,350	12.8
Lenawee	42,825	38,250	4,575	10.7
Livingston	51,875	48,525	3,350	6.5
Macomb	384,600	350,975	33,625	8.7
Marquette	27,475	25,625	1,850	6.8
Midland	36,350	34,100	2,275	6.2
Monroe	63,725	58,675	5,050	7.9
Montcalm	21,650	19,325	2,325	10.7
Newaygo	17,025	15,750	1,275	7.5
Oakland	588,750	542,850	45,900	7.8
Ottawa	88,300	84,075	4,225	4.8
Saginaw	97,625	89,375	8,250	8.5
St. Clair	66,550	59,900	6,650	10.0
St. Joseph	28,400	25,950	2,450	8.7
Sanilac	21,575	19,750	1,825	8.4
Shiawassee	34,850	30,725	4,100	11.8
Tuscola	23,150	20,475	2,675	11.6
Van Buren	32,825	29,500	3,300	10.1
Wayne	1,063,475	948,525	114,950	10.8

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